

THE ASRS BUSINESS RE-ENGINEERING AND INFORMATION TECHNOLOGY PLAN



Final Report

March 2009



TEN YEARS AGO

- First iteration of strategic plan and model
- Looked ahead and saw:
 - A more complex work environment
 - Maturing “Baby Boomers”
 - Greater demand for faster service



FY 2000 ASSESSMENT

- Performance: mediocre and slow
- Business processes: manual and paper driven
- Lost productivity
- Efforts to automate and modernize lagged behind needs



THE IT PLAN

- First Strategic Initiative
- Multi-year, \$46-million dollar effort
- Designed to completely overhaul administrative apparatus



THE IT PLAN

- New technology was the centerpiece
- Rebuild and integrate major business functions:
 - Relational data base
 - Imaging technology
 - Work flow technology
 - Phone technology
 - Web platform
 - Financial management system



THE IT PLAN

Other key features:

- Re-engineer business functions
- Set up effective Governance, Organization and Management (i.e., Independent Advisory Consultant)
- Develop staff for new environment



THE IT PLAN

- Vision, goals and objectives mirrored those in the Strategic Plan
 - Be cost-effective
 - Be timely, responsive, accessible and reliable
 - Satisfy members and stakeholders



CONCLUSION AT THE TIME

The IT Plan was risky but necessary



IT PLAN OUTCOMES

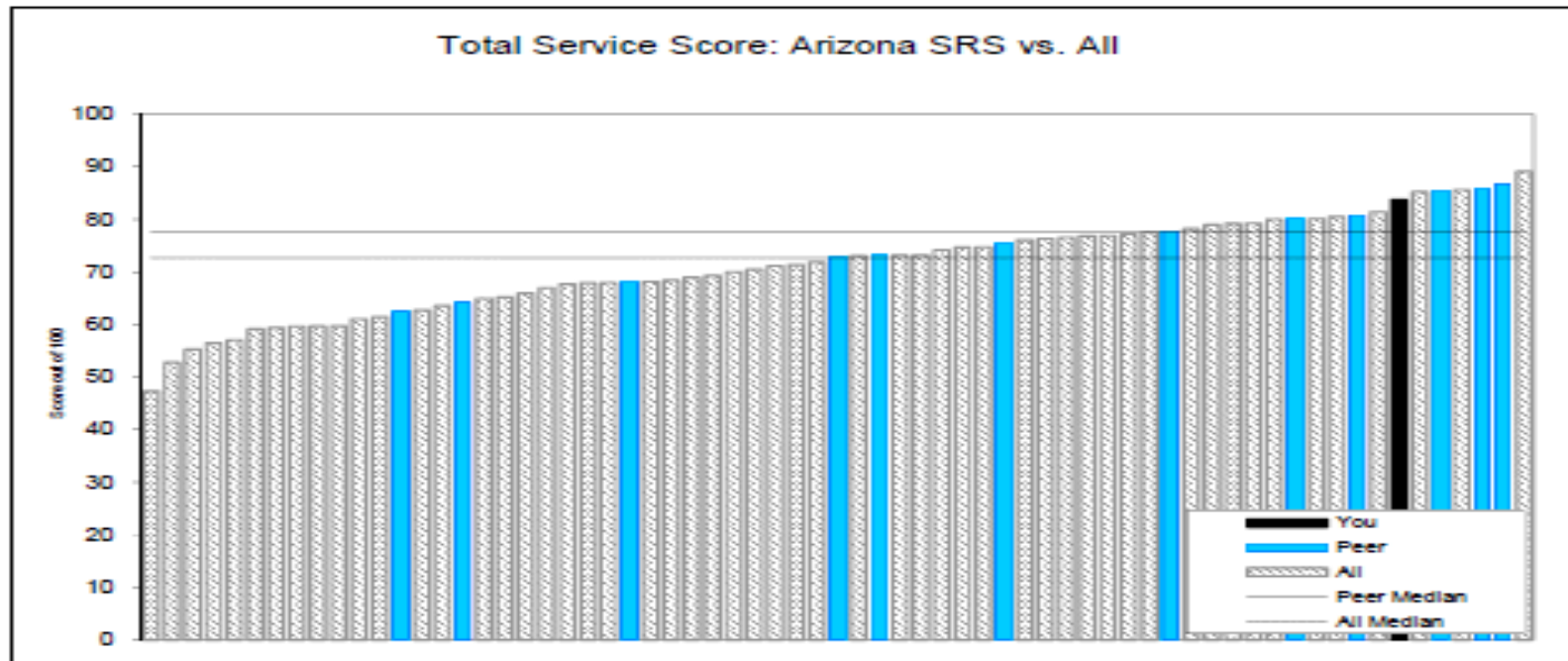
- The Plan stayed within its appropriated budget;
and
- Substantively achieved its strategic outcomes



STRATEGIC OUTCOMES

Service vs. Peers:

Your Total Service Score is 84. This compares to a peer median of 78 and an all participant median of 73.

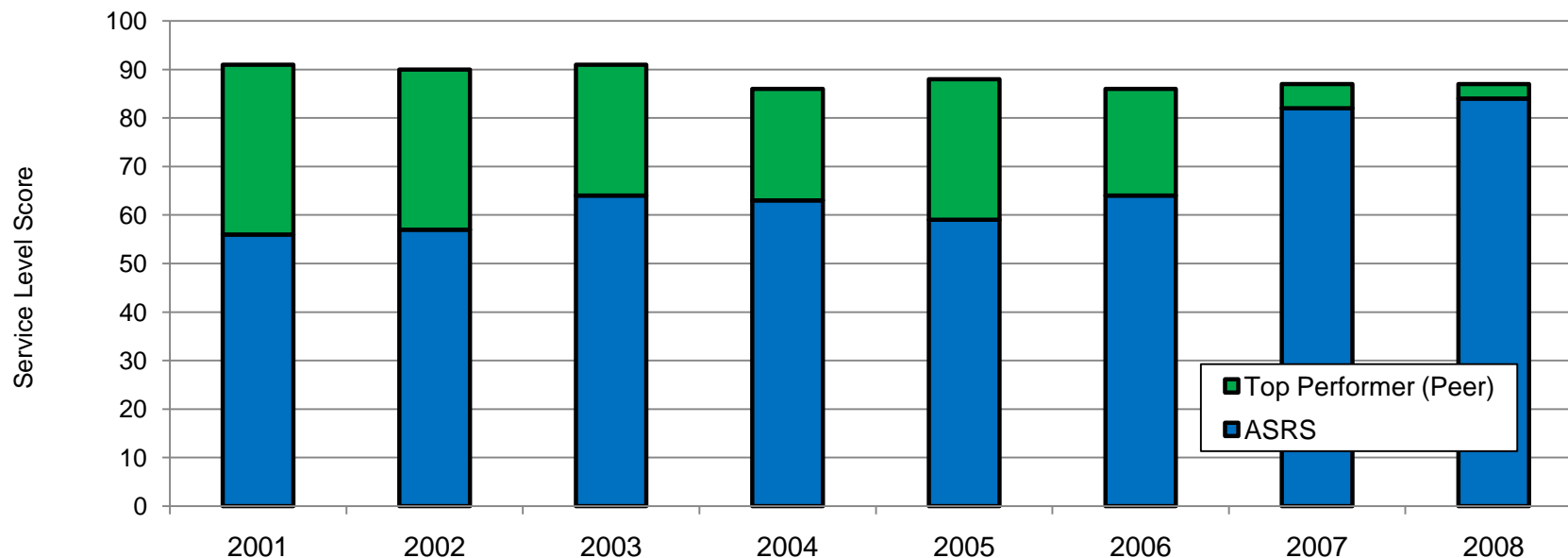


STRATEGIC OUTCOMES



Service vs. Peers:

ASRS Service Level Scores by Year vs. Top Performer

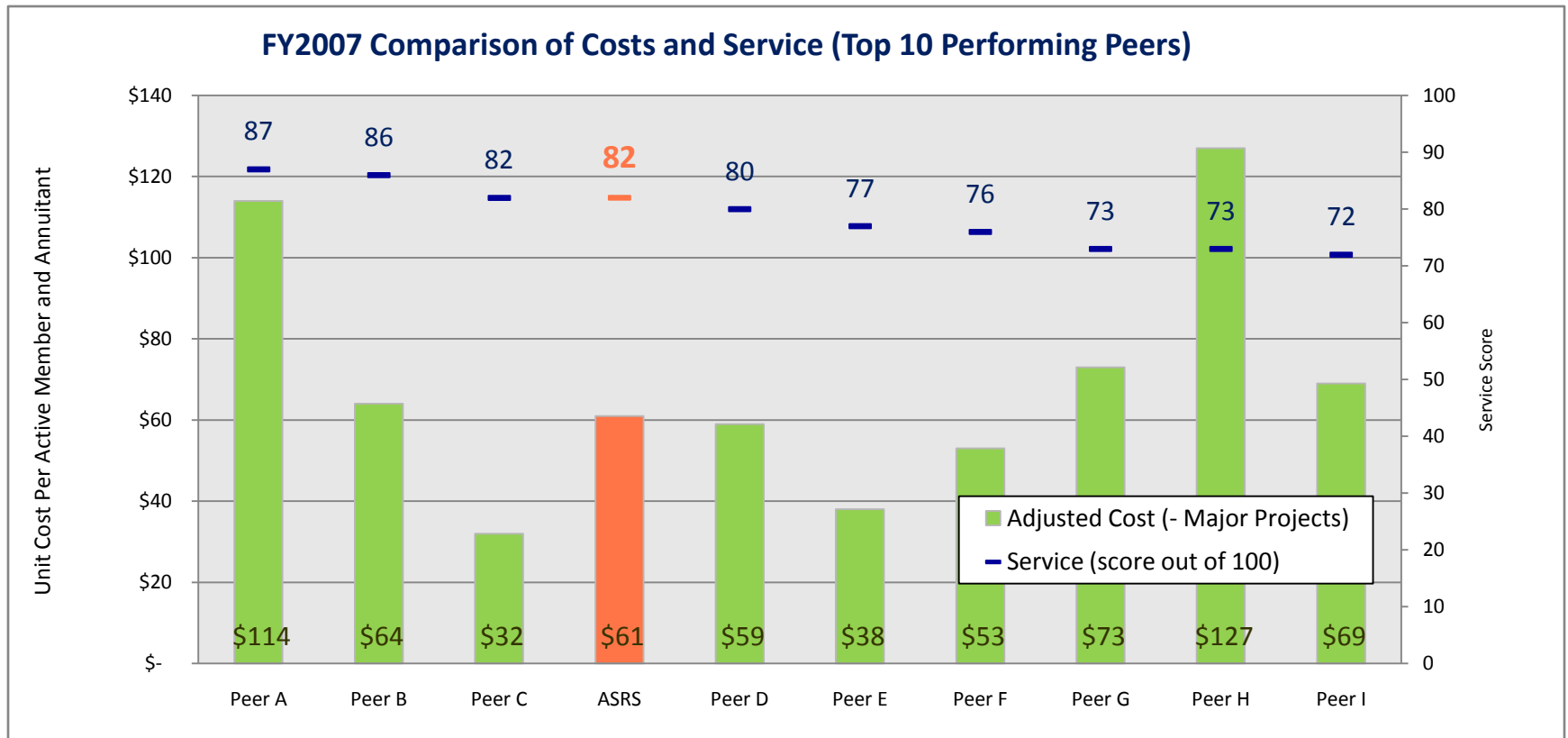


Compiled from CEM Benchmarking Inc. Pension Administration Benchmarking Reports for ASRS for Fiscal Years 2001 - 2008



STRATEGIC OUTCOMES

Cost Effectiveness vs. Peers:



STRATEGIC OUTCOMES



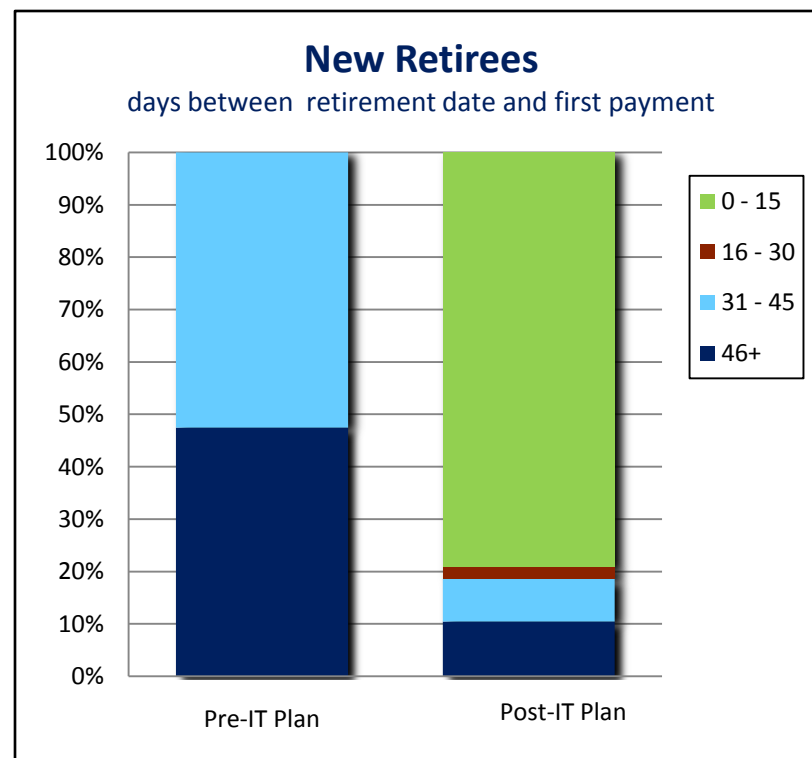
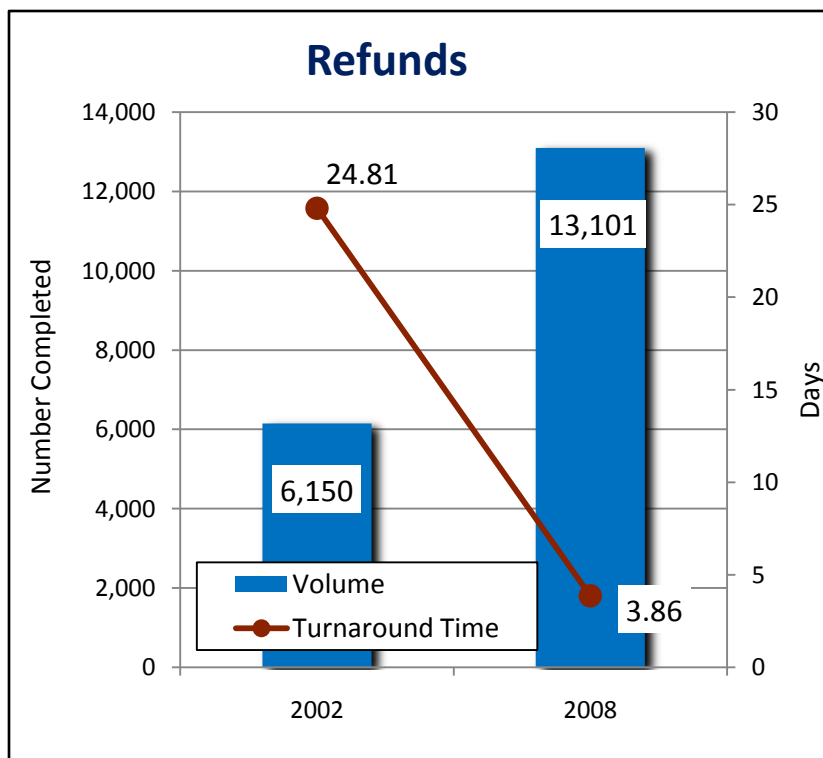
Improved Timeliness:

Average Processing Time	FY 2002	FY 2008	% Change
Service Purchase Cost Invoices	39 business days	8 business days	-79%
Service Purchase Payments	5 business days	4 business days	-23%
Benefit Estimate Processing	5 business days	1 business day	-80%
Refund Processing	25 business days	4 business days	-85%
New Retiree First Payment	48 calendar days	10 calendar days	-79%

STRATEGIC OUTCOMES



Improved Timeliness:

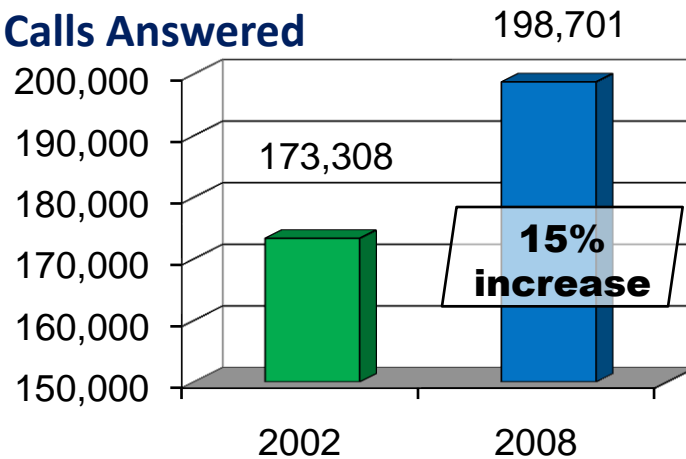


STRATEGIC OUTCOMES

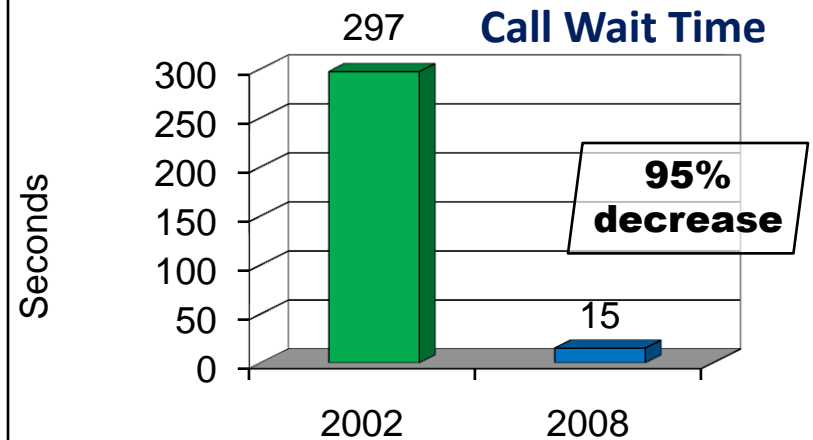
Improved Reliability:



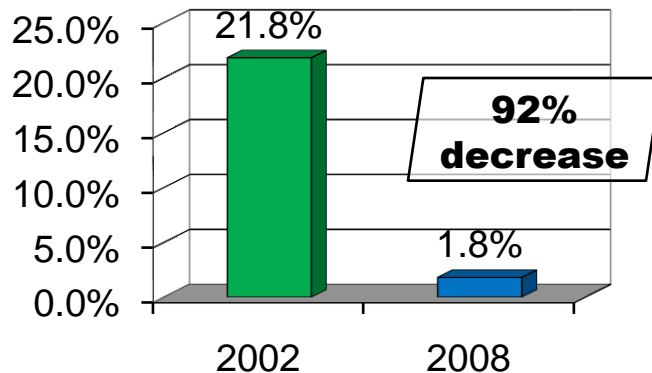
Calls Answered



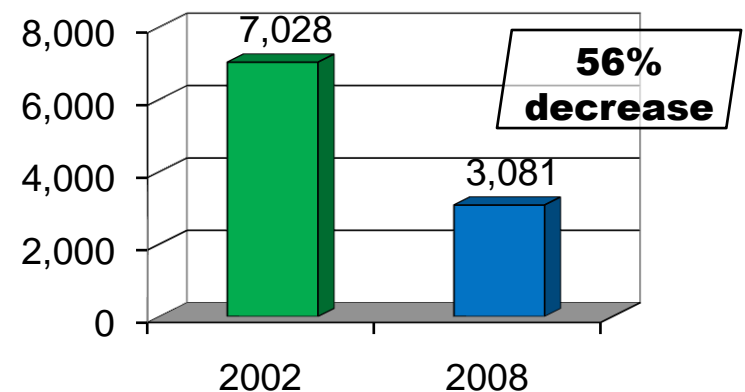
Call Wait Time



Abandonment Rate



Research and Follow-up





STRATEGIC OUTCOMES

Improved Accessibility:

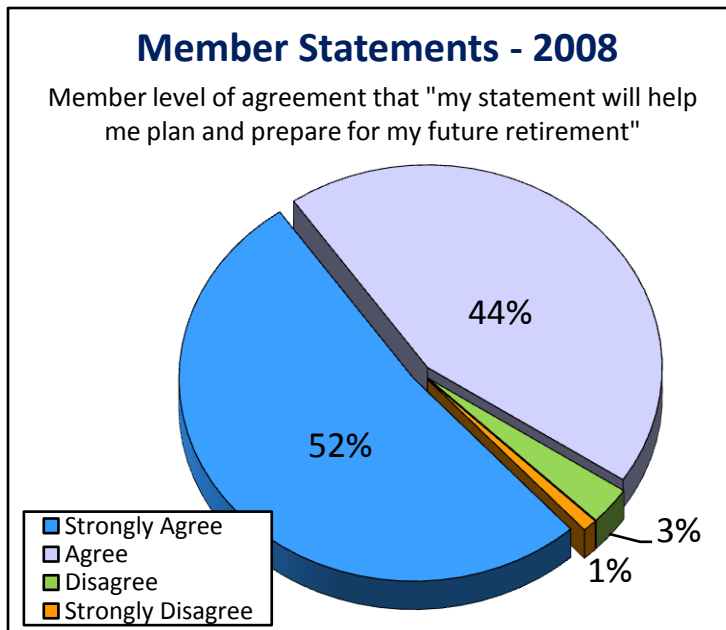
Services Currently Available on the ASRS Website – www.azasrs.gov

Service	Non-Retired Plan Member	Retired Plan Member	Volume FY 2008
View Annual Member Statement	Yes	Not applicable	31,741
View Personalized Benefit Estimate	Yes	Not applicable	28,308
View an estimated refund amount	Yes	Not applicable	Not available
View current contributions	Yes	Not applicable	Not available
View pension check details	Not applicable	Yes	1,551
Opt out of receiving deposit summaries	Not applicable	Yes	Not available
Change Direct Deposit	Not applicable	Yes	40
Change Address	Yes	Yes	6,414
Change E-mail Address, telephone number, or marital status	Yes	Yes	11,709
Change Beneficiary	Yes	No	5,441

STRATEGIC OUTCOMES



Improved Accessibility:



Arizona State Retirement System

3300 North Central Avenue Phoenix, Arizona 85012

(602) 240-2000 • (520) 239-3100 • 1(800) 621-3778 • www.azasrs.gov

Member Statement for the period July 1, 2005 - June 30, 2006

The Arizona State Retirement System (ASRS) is pleased to provide you this annual member account statement. This statement contains the following confidential information:

- Personal data currently on file.
- Beneficiary data currently on file.
- Estimated retirement benefit for early and normal retirement dates.
- Contributions and credited service posted to your account during the statement period.
- Service Purchase contributions and credited service posted to your account during the statement period.

The ASRS asks that you:

- Review the contents of this statement for accuracy. Contact the ASRS to correct or update any personal information, including beneficiary data.
- Visit the ASRS website for additional information and periodic updates regarding your benefits as a member, including a new section where you can log on to your personal ASRS homepage.
- Consider attending an ASRS informational Seminar to learn more about the benefits of ASRS membership. You can find a listing of these meetings under the Calendar section on the ASRS website.
- If you are within a year of retirement, make plans now to attend a Group Meeting, where you'll learn about your retirement benefits and receive help with the application and other paperwork. These meetings are also listed under the Calendar section on the ASRS website.

Personal Data

NAME	
MAILING ADDRESS	
SOCIAL SECURITY	
DATE OF BIRTH	
HOME PHONE	Not On File
E-MAIL ADDRESS	Not On File

The ASRS will use Social Security numbers only to obtain information about an individual's account and to report to the Internal Revenue Service with respect to that account.

Beneficiary Data

BENEFICIARY NAME	SSN/TAX ID	DATE OF BIRTH	RELATIONSHIP	SPLIT %	TYPE
	Not On File	Not On File	Child	0%	Primary
	Not On File	Not On File	Child	0%	Primary
	Not On File	Not On File	Child	0%	Primary

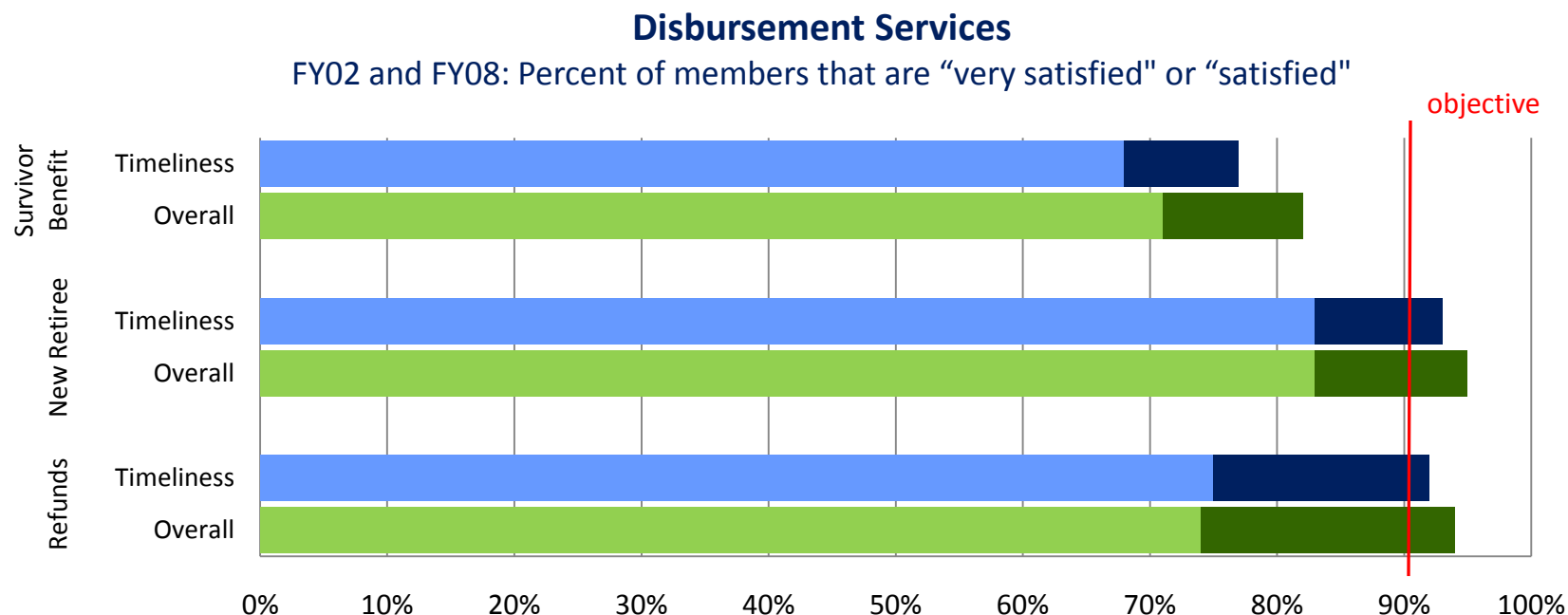
The ASRS asks that you provide us with any information marked Not on File* or beneficiary information marked None Designated* at your earliest convenience. You may have additional beneficiaries on file with the ASRS. To view a complete list, please visit the ASRS website and log in to your personal ASRS Homepage.

www.azasrs.gov

STRATEGIC OUTCOMES



Higher Member Satisfaction:



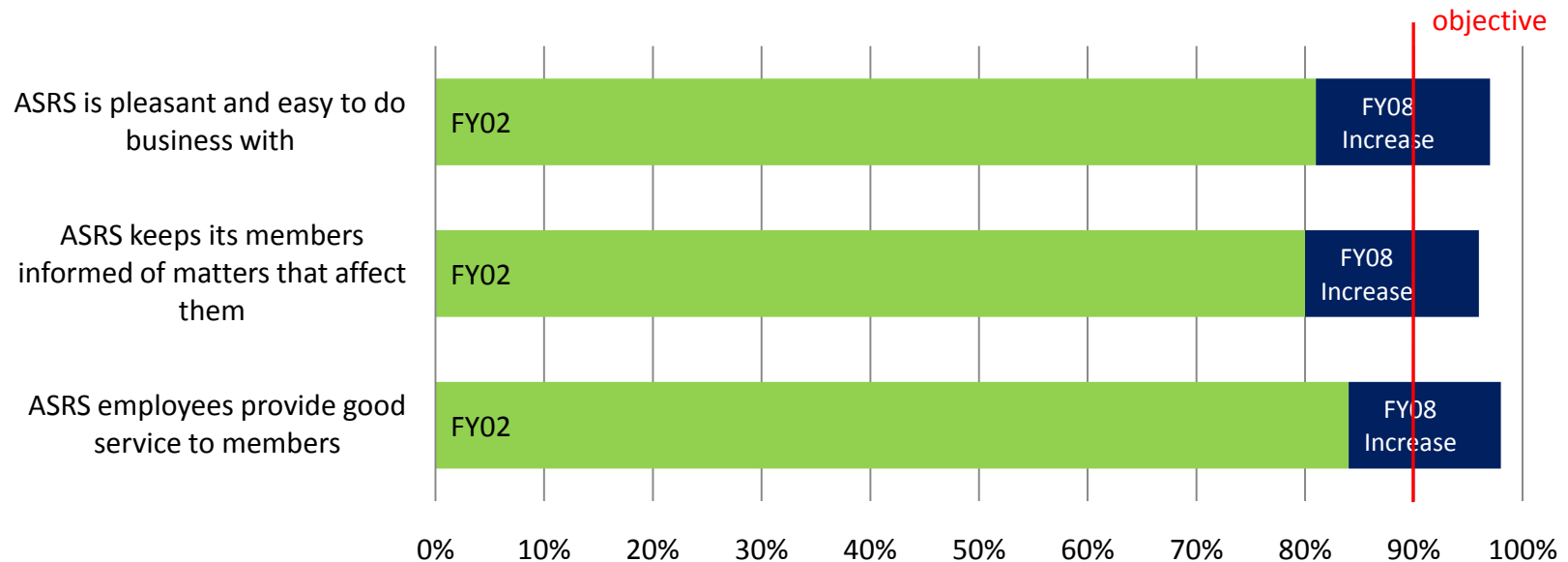
STRATEGIC OUTCOMES



Higher Member Satisfaction:

Overall Opinion of the ASRS

FY02 and FY08: Percent of members that "strongly agree" or "agree"





CONCLUSIONS

- The IT Plan validates the cost benefits of long-range planning
- The IT Plan affirms the utility of the ASRS's strategic planning model and principles
 - Look ahead with clarity of purpose
 - Measure performance relentlessly
 - Invest in governance, organization and management
 - Seek out best business practices
 - Invest in staffing and budgets that reflect organizational values



LOOKING AHEAD:

- Management and staff will try and build upon the lessons learned
- In the near term:
 - Reset our strategic aims
 - Reduce long-term operating costs through continued development and use of modern technology and better business practices